

House Committee on Transportation and Infrastructure
Subcommittee on Economic Development, Public Buildings and Emergency
Management
Smithsonian Institution
Mr. Bruce Kendall
27 October 2009

Chairman Norton and members of the subcommittee, thank you for this opportunity to testify on the Smithsonian Institution's use of stimulus funds provided by the American Recovery and Reinvestment Act (Recovery Act) of 2009. We are grateful for the support of the Administration and the Congress for the essential work that is now well underway at our Smithsonian facilities here in the District of Columbia, at Front Royal, VA (the National Zoo's Conservation Resource Center) and at Edgewater, MD (the Smithsonian Environmental Research Center).

Under the Recovery Act, the Smithsonian received an appropriation of \$25,000,000 for "Facilities Capital" – that is, repair and revitalization of existing facilities. Our plan to spend this money wisely and expeditiously is progressing as originally intended. By the end of September 2009, we awarded 15 (of 16) facilities improvement projects, totaling \$20.7 million (more than 83% of the funds appropriated). The one remaining contract will be let soon. All but two of the construction projects were awarded competitively to local Small Business/8a firms. Reporting of jobs created and correct expenditure of funds, required by the Act, is currently underway with the first formal report in October 2009.

Today, the Smithsonian owns or leases hundreds of buildings and structures. Some of our buildings are new; the oldest is more than 150 years old; and more than half are over 25 years old. The Smithsonian is unique in both the architectural variety and functional diversity of its buildings. Our buildings support research, education, public programs, and exhibitions for millions of visitors. But many of these buildings are in need of repair. The Arts and Industries Building is a good example of a magnificent and historic building that needs to be revitalized.

The Smithsonian is the largest museum and research complex in the world; it now has 19 museums and galleries, 20 libraries, numerous research centers, 32 education units, and the National Zoological Park. More than 30 million people from around the world visited us in fiscal year 2009 and nearly 188 million virtual visitors went to our web sites. Our museums are free and open 364 days a year. The Smithsonian has unique collections: 137 million artifacts, works of art and scientific specimens. 127 million of these are scientific specimens that are used by Smithsonian researchers and scientists from Federal agencies and from around the world to explore important issues such as climate change and endangered species. The Institution is the steward of many of our nation's treasures, and objects that speak to our nation's bold vision, creativity, and courage: Edison's light bulb, Morse's telegraph, the Wright flyer, the Apollo 11 command module *Columbia*, Lewis and Clark's compass and Mark Twain's self-portrait. It is our job to preserve these treasures in a responsible manner so future generations can learn from them also.

Well maintained, safe and efficient facilities are essential for advancing the Smithsonian's mission. Building revitalization involves making major repairs or replacing declining or failed infrastructure to avoid additional deterioration. Once completed, these projects will improve the overall condition of Smithsonian buildings and systems, and will enable the Smithsonian to ensure safe conditions in these facilities for visitors, staff, animals, and our priceless national collections.

Smithsonian Projects

Below are the projects that are being accomplished with Smithsonian Recovery Act funds:

- Arts and Industries Building (AIB) — Washington, DC (\$4.6 million)
 - Repair exterior masonry
 - Demolish selected portions of interior and remove hazardous materials
- National Zoological Park (\$9.7 million)
 - Install fire-protection equipment (including medium-voltage switches) at Rock Creek Park campus (Washington, DC) and Conservation and Research Center (Front Royal, Virginia)
 - Replace certain roofs at Rock Creek Park campus and Conservation and Research Center
 - Replace deteriorated animal-holding facilities at Conservation and Research Center
 - Repair bridges at Rock Creek Park campus
- Other Smithsonian Projects (\$10.7 million)
 - Install high-voltage electrical safety improvements at multiple locations on the National Mall (Washington, DC)
 - Install sewage backflow preventers on potable water lines at multiple locations off the National Mall; biggest project is at the Museum Support Center (Suitland, Maryland)
 - Install emergency generators at the Smithsonian Environmental Research Center (Edgewater, Maryland)
 - Refurbish or replace elevators and escalators at the National Air and Space Museum and National Museum of American History (Washington, DC)
 - Hire temporary/contract support personnel

Smithsonian Review of Recovery Act Projects

The Institution is tracking the progress on these projects with monthly meetings and weekly updates. The weekly meetings include representatives from facilities, contracting, budget, and the Inspector General's office. These monthly meetings are held with the leadership of the Institution to review the progress on each project; identify any risks or issues; and review the actions taken to correct any deficiencies.

Details on the progress of each project can be found on the Smithsonian's Recovery Act website at: <http://www.smithsonian.org/recovery>. The progress chart tracks 1) the posting of pre-award notices on www.fedbizopps.gov; 2) the posting of Requests for Proposals (RFPs); 3) the RFP due dates; 4) contract award dates; 5) project obligations; 6) project expenses; and 7) percent of project complete. The Institution evaluates progress by tracking whether the project is on schedule and within the estimated cost projections. Contractors will provide periodic (generally monthly) progress reports which will be used by the Institution program managers to validate and assess the contractor's performance. In addition to tracking the above major milestones for each project, the Institution is also tracking:

- Percent of actual obligations as compared to the plan
- Percent of Recovery Act revitalization projects completed
- Manpower and Job Creation for each project

Financial, Contracting, and Environmental Information on Projects

The Smithsonian developed a detailed obligation and expense plan for each project. The Institution's financial system provides the actual expenditures (obligations and outlays) and these data are used to track the progress against the plan. Monthly updates are presented to the Institution's Recovery Act working group and to the Institution's senior leadership. The data are also posted on the Institution's website at: <http://www.smithsonian.org/recovery>. Below is a summary of the Institution's obligation and expense plan.

Updated American Recovery Act Obligation and Expense Plan															
TAF	Appropriated (\$millions)	Allocation (\$millions)		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Smithsonian Facilities Capital 33-0101	\$25	\$25	OBLIGATIONS 2009				4	4	18	19	21	22	22	22	22
			OUTLAYS 2009						1	2	3	4	6	8	10
			OBLIGATIONS 2010	22	23	23	23	24	24	25	25	25	25	25	25
			OUTLAYS 2010	12	14	15	16	18	19	20	21	22	23	24	25

The Institution has maximized competition wherever practical for Recovery Act-funded contracts. The Smithsonian projects that 88% of anticipated Recovery Act dollars will be competitively awarded. This percentage is based on estimated costs of each Recovery Act project. The Institution has also maximized the use of fixed-priced contracts wherever practical for Recovery Fund-funded contracts.

The Smithsonian projects that 99.9% of anticipated Recovery Act dollars will be awarded as fixed-price contracts. This percentage is based on estimated costs of each Recovery Act project.

The Institution will also meet the energy efficiency and green building requirements of the Recovery Act. All of the projects on the Recovery Act list have some aspect of increased energy efficiency or other sustainability in their scope of work. For example, the Arts and Industries Building projects, although mainly exterior masonry repairs and hazardous material removal, are the precursors to the sustainability efforts of insulated roof, walls, windows, and replacement of all failing mechanical/electrical utilities with more energy-efficient equipment. Every Zoo project (e.g., work to replace deteriorated facilities and repair roads and bridges) includes some form of storm drainage, high-reflectance, or high-efficiency electrical replacement that is sustainable. The other sustainable projects will increase safety and concentrate on areas such as conserving and ensuring a clean domestic water supply, providing more energy-efficient vertical transportation, and giving the Institution access to a more efficient back-up power source at a lower cost.

In sum, the Smithsonian is using Recovery Act resources to focus on facilities revitalization projects to improve the safety and security of our buildings and the collections, and thus enhance our service to the American people.

Thank you for this opportunity to update the Subcommittee on the Smithsonian's progress in implementing Recovery Act funding.

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